

Washington State  
Health Care Authority  
Ida Zodrow  
Administrator

Public Employees  
Benefits Board  
P.O. Box 42684  
Olympia, WA 98504-2684  
1-800-200-1004  
360-412-4200  
[www.pebb.hca.wa.gov](http://www.pebb.hca.wa.gov)

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Coordinator at  
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speech impaired),  
call 360-923-2701  
or call toll-free  
1-888-923-5622.

HCA 51-575 (9/02)

## Use PEBB's online services — it's easy!

**S**imilar to last year, PEBB will offer several online tools and services to help retirees make the best plan choices for 2003. You can find these at the PEBB's Web site at **[www.pebb.hca.wa.gov](http://www.pebb.hca.wa.gov)**.

Compare-a-Plan allows you to compare medical plans based on criteria important to you and your family, such as customer service and getting medical care quickly, based on



### Compare -a-Plan

the experiences of other consumers. Based on the importance you assign each of the various criteria, Compare-a-Plan will evaluate the plans available in your county.

Once you've used Compare-a-Plan to choose a medical plan, you can go to the Provider Directory to



find a primary care provider, women's health care provider, hospital, or pharmacy that contracts with your plan. If you're changing medical plans, you'll also be able to find the physician or clinic code as required on the **2003 Retiree Open Enrollment Medical and Dental Coverage Form** or on e-Coverage (see next paragraph).

If you're interested in changing your medical or dental plan for 2003, or wish to waive coverage, you may be able to do so using e-Coverage.

During open enrollment, e-Coverage is an online tool that may allow you to change your plans as many times as you change your mind!



## Important dates

### October 21–November 30

2003 open enrollment—your chance to change medical and/or dental plans, and add family members to your coverage.

### October 22

Open enrollment benefits fairs begin. Look for the schedule with dates, times, and locations in this issue!

All changes are effective  
**January 1, 2003.**

For more  
information, go to  
**[www.pebb.hca.wa.gov](http://www.pebb.hca.wa.gov)**  
or attend a benefits fair  
in your area.

## Changes to your 2003 coverage

### Plan availability

**F**ind out if your medical plan is still available to you in 2003. **If your medical plan is no longer available where you live, you need to select a different plan.** Otherwise, your medical coverage **could be delayed** for 2003.

### Plan changes

- **Aetna U.S. Healthcare Inc.** will no longer be available.
- **Community Health Plan of Washington** will not accept new members in 2003. Current members may be able to stay with Community Health Plan, or may choose a new plan. Community Health Plan members will receive a letter in October regarding their plan's changes.
- **Premera Blue Cross** has consolidated Premera BC/HealthPlus and Premera BC/MSD into a new product, **Premera Blue Cross/Foundation**. If you are currently enrolled in one of these plans, you will automatically be enrolled in Premera Blue Cross/Foundation unless you select a different plan. For more information, contact Premera Blue Cross.

### Benefits changes

#### Managed care plans

- Prescription drugs (up to a month's supply) purchased at a retail pharmacy in your plan's network will have a \$25 copay for formulary brand-name drugs and a \$40 copay for non-formulary drugs. The \$10 copay for formulary generic drugs, all insulin, and all disposable diabetic supplies will remain the same.
- Prescriptions purchased through the plan's mail-order service (up to a 90-day supply) will have a \$50 copay for formulary brand-name drugs, and \$80 copay for non-formulary drugs. The \$20 copay for formulary generic drugs, all insulin, and all disposable diabetic supplies will remain the same.

**Exceptions:** *Group Health Cooperative* and *Group Health Options* have only \$10 and \$30 copays for retail prescription drugs, and \$20 and \$40 copays for mail order. *Kaiser Permanente* has only \$10 and \$25 copays for retail prescription drugs, and \$20 and \$50 copays for mail order.

#### Uniform Medical Plan (UMP)

Prescription drugs will be reclassified into three tiers. See the chart on page 3.

After the annual prescription drug deductible has been met, copays for network retail and mail order prescriptions will be as shown.

(continued on page 3)

## Changes to Your 2003 Coverage *(continued)*

### Other UMP changes

- The UMP will implement standard coordination of benefits. This means that the UMP will coordinate benefits with Medicare or other group coverage so that between the two plans, covered services will be reimbursed up to 100% of allowed charges after the deductible has been met.
- The UMP will offer network benefits through the Beech Street

Provider Network for non-Medicare enrollees who receive covered services in the U.S. outside of Washington and Oregon. When using this provider network, reimbursement will be 80% of allowed charges. If a network provider is available and you select a nonnetwork provider, reimbursement will be 60% of allowed charges. Contact the UMP for more information.

### We appreciate your patience during open enrollment!

**D**uring open enrollment, we receive approximately three times as many phone calls as the rest of the year. If our benefits specialists are helping other members when you call, please be patient. A benefits specialist will answer your call as soon as possible.

## UMP Prescription Drug Benefit for 2003

	Enrollee's cost at a network retail pharmacy	Enrollee's cost using Home Delivery Pharmacy Service™ (mail order)
<b>Tier 1</b> Generic drugs, all insulin, and all disposable diabetic supplies	Lesser of 20% coinsurance or maximum enrollee cost-share limit*	Lesser of a \$10 copay or cost of drug for up to a 90-day supply
<b>Tier 2</b> Formulary single-source brand-name drugs	Lesser of 30% coinsurance or maximum enrollee cost-share limit*	Lesser of a \$40 copay or cost of drug for up to a 90-day supply
<b>Tier 3</b> Non-formulary single- source brand-name and all multi-source brand- name drugs	50% coinsurance (maximum enrollee cost-share limit does not apply)	Lesser of an \$80 copay or cost of drug for up to a 90-day supply

\*Tier 1 and Tier 2 drugs purchased at a UMP network pharmacy have a maximum enrollee cost-share limit, based on the number of days' supply purchased. For up to a 30-day supply, the limit is \$50; for a 31- to 60-day supply, \$100; for a 61- to 90-day supply, \$150. This limit does not apply to Tier 3 drugs or drugs purchased at a nonnetwork pharmacy.

## Getting your questions answered quickly

**W**hen you call the PEBB program at 1-800-200-1004, our phone system will help you get your questions answered as quickly as possible.

### Press 1 for:

- Automated enrollment information
- Payment information

### Press 2 for:

- Address changes
- Benefit and eligibility questions
- Application requests

### Press 3 for:

- All other questions

## Why are my rates higher in 2003?

**M**edical costs have increased tremendously this past year, which will raise the overall cost of providing health care to Medicare-eligible retirees by an **average** of 8 percent in 2003. Non-Medicare retirees will see their health care costs increase by an **average** of 20 percent next year.

### Will the state also pay more for my health care next year?

The state's subsidy for Medicare-eligible retirees will increase to \$92.74 per month in 2003. It is currently \$85.84 per month. This subsidy is not paid directly to retirees, but is applied toward their monthly premium.

Non-Medicare retirees are also subsidized by the state, but through a different method. Non-Medicare retirees' rates are pooled with all employees, and as a result, the rates are lower than they would be if retirees were rated separately. Because this pool of members is younger and healthier, non-Medicare retirees will receive an implied subsidy estimated at \$186 per month in 2003.

### How are my premiums calculated?

What you pay for your medical coverage next year is determined by the Legislature, the medical plans, and you.

The Legislature decides the funding to provide PEBB benefits each year. During the 2002 session, the Legislature increased Medicare-eligible retirees' subsidy to \$92.74 per month for 2003.

The medical plans develop their rates for 2003 based on the claims experience of their enrollees in 2002. Medical costs are increasing rapidly, due to:

- The development of new medical technologies, tests, and machines;
- New prescription drugs;
- A dramatic increase in prescription use;
- An increase in chronic diseases like diabetes, asthma, and heart disease; and
- PEBB members as a whole are aging, and requiring more services.

The plan you choose for 2003 also determines your monthly premium. If your doctor participates with several PEBB medical plans, you can choose which plan makes the most sense for you.

*(continued on page 5)*

## Why are my rates higher? *(continued)*

### Can't the state get us a better deal?

Employers nationwide are seeing significant increases in their health plan premiums, and the PEBB program is no exception. The increases for 2003 are reasonable given others' experiences and the cost of providing insurance.

The medical plans contracting to serve PEBB members have documented how much money they lost or made; many of them have been losing money, and some are breaking even. We thoroughly review the plans' bids with an independent actuarial firm, and ensure the rates are appropriate for the plans' anticipated business costs for next year.

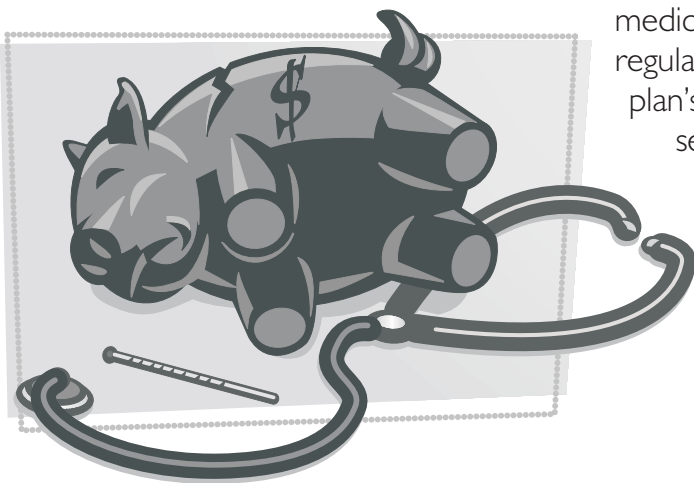
## Ways to help lower the trend of medical costs for you and the state

**T**he annual trend of health care increases is in excess of 20 percent—and the costs of medical care will continue to increase for both enrollees and the state. Here are some ways to keep those costs down and work together to get the best value for your health care dollar:

- Ask your doctor or other provider if (s)he participates with a lower-cost PEBB medical plan. Many doctors

contract with more than one medical plan, and may participate with a lower-cost plan in your area.

- Ask for generic drugs. When your doctor prescribes a new drug for you, ask if there is a generic alternative that would be equally safe and appropriate. This will result in a lower copay for you.
- Use your plan's mail-order pharmacy service. For your maintenance medications (those you take regularly), using your medical plan's pharmacy mail-order service will cost you less in copays than through a retail pharmacy. Plus, it saves you a trip to the store!



*(continued on page 8)*

If you'd like to find out more about PEBB health plans, visit a benefits fair in your area. The times and places are listed to the right. Maps to the benefits fairs are also available online at [www.pebb.hca.wa.gov](http://www.pebb.hca.wa.gov).

For more information on the PEBB program, you'll want to attend a **retiree presentation** (times and places are **printed in bold** to the right).

## Benefits fairs schedule

### Bellingham

**November 14, 2002**

**11 a.m. to 6 p.m.**

Western Washington University  
Fairhaven Admin. Lounge  
516 High Street

**Retiree presentation**  
**1:30 to 2:30 p.m.**  
**Chart Room, 2nd floor**  
**Fairhaven Admin.**  
**Lounge**

### Cheney

**October 25, 2002**

**11 a.m. to 6 p.m.**

Eastern Washington University  
Louise Anderson Hall  
1st Floor Lounge

**Retiree presentation**  
**1 to 2 p.m.**  
**PUB, Elm Street**

### Ellensburg

**October 30, 2002**

**11 a.m. to 6 p.m.**

Central Washington University  
SUB Pit  
400 East 8<sup>th</sup> Street

**Retiree presentation**  
**1 to 2 p.m.**  
**Yakima Room**

### Everett

**November 15, 2002**

**11 a.m. to 6 p.m.**

Everett Community College  
Jackson Center  
2000 Tower Street

**Retiree presentation**  
**1 to 2 p.m.**  
**Multipurpose Room**

### Lacey

**October 28, 2002**

**11 a.m. to 6 p.m.**

Saint Martin's College  
Worthington Conf. Center  
5300 Pacific Avenue SE

**Retiree presentation**  
**1 to 2 p.m.**  
**Worthington Conf.**  
**Center**

### Olympia

**November 6, 2002**

**11 a.m. to 6 p.m.**

Transportation Bldg.  
Lobby  
310 Maple Park

### Port Angeles

**November 13, 2002**

**11 a.m. to 6 p.m.**

Peninsula College  
1502 E. Lauridsen Blvd.  
Room A-12

### Pullman

**October 23, 2002**

**11 a.m. to 6 p.m.**

Washington State University  
French Admin. Building  
Stadium Way & Wilson Road

**Retiree presentation**  
**1 to 2 p.m.**  
**Gladish School**  
**Old Library, 3rd floor**

### Richland

**October 28, 2002**

**11 a.m. to 6 p.m.**

Washington State University - Tri-Cities  
Atrium - West Building  
2710 University Drive

## Benefits fairs schedule *(continued)*

### Seattle

**October 29, 2002**

**10 a.m. to 4 p.m.**

University of Washington  
Harborview Medical Center  
Research and Training Bldg.  
Lobby  
325 Ninth Avenue

**October 30, 2002**

**10 a.m. to 4 p.m.**

University of Washington  
Medical Center  
Health Sciences Lobbies  
1959 NE Pacific

**October 31, 2002**

**10 a.m. to 4 p.m.**

University of Washington  
HUB West Ballroom

**Retiree presentation**  
**1 to 2 p.m.**  
**Room 108**

**November 7, 2002**

**11 a.m. to 6 p.m.**

South Seattle Comm.  
College  
Jerry Brockey - Auditorium  
6000 16th Avenue SW

**Retiree presentation**  
**1 to 2 p.m.**  
**Jerry Brockey -**  
**Auditorium**

### Spokane

**October 24, 2002**

**11 a.m. to 6 p.m.**

Spokane Community  
College  
Lair Building  
Littlefoot Rooms A, B, &  
Sasquatch

**Retiree presentation**  
**11:30 a.m. to 12:30 p.m.**  
**Lair Auditorium**  
**N. 1810 Greene Street**

### Tacoma

**November 8, 2002**

**11 a.m. to 6 p.m.**

Tacoma Community  
College  
Student Center Bldg. 11  
6501 South 19th Street

**Retiree presentation**  
**1 to 2 p.m.**  
**Bldg. 3 Auditorium**

### Vancouver

**November 1, 2002**

**11 a.m. to 6 p.m.**

Clark College  
Gaiser Hall - Central  
Concourse  
1800 East McLoughlin Blvd.

**Retiree presentation**  
**1:30 to 2:30 p.m.**  
**Central Gaiser Conf.**  
**Room**

### Walla Walla

**October 22, 2002**

**11 a.m. to 6 p.m.**

Walla Walla Comm. College  
Conference Center  
185 - A, B, & C  
500 Tausick Way

**Retiree presentation**  
**1 to 2 p.m.**  
**Dining Room**

### Wenatchee

**October 31, 2002**

**11 a.m. to 6 p.m.**

Wenatchee Valley College  
Campus Theatre  
1300 Fifth Street

**Retiree presentation**  
**1 to 2 p.m.**  
**Wells Hall**

### Yakima

**October 29, 2002**

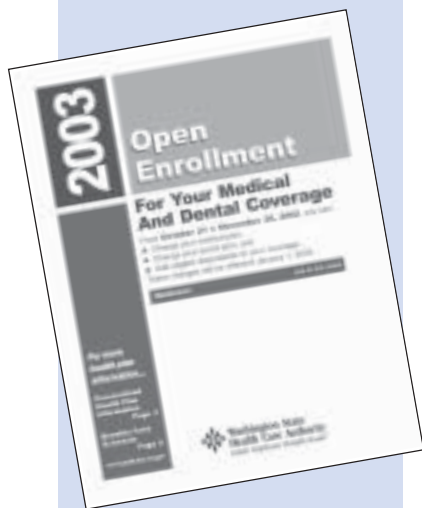
**11 a.m. to 6 p.m.**

Yakima DoubleTree  
1507 North 1<sup>st</sup> Street  
Wapato/Naches Rooms

**Retiree presentation**  
**1 to 2 p.m.**  
**Selah Room**



**Be sure  
to watch  
for your  
2003 open  
enrollment  
packet in  
the mail!**



**Open  
enrollment  
October 21 –  
November 30**

## Ways to help lower the trend of medical costs for you and the state *(continued from page 5)*

- Take advantage of your plan's preventive care and other health benefits. All of the PEBB's contracting medical and dental plans cover preventive care services at no cost to you (subject to the plan's schedule), so why not take advantage of maintaining your health? Plan benefits include smoking cessation services, diabetes education, and regular physicals at little or no cost to you. These services may help detect some health concerns early, saving you from future health problems and higher costs. Contact your plan for details.
- Take advantage of health plans that bring the best value to you and the state. PEBB contracts with the best valued health plans. For more information about which medical plans perform better, use the Compare-a-Plan tool on PEBB's Web site at **[www.pebb.hca.wa.gov](http://www.pebb.hca.wa.gov)**.

## If you or a family member are about to turn 65...

you can reduce your monthly premium by sending a copy of the Medicare card for the family member who will be turning 65 to the HCA.

**Open Enrollment is  
Coming Soon!**



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